

March 25, 2011

To: Executive Board

Subject: **Proterra Bus Option Order**

Recommendation

Reaffirm the action to authorize the Executive Director to exercise an existing option and negotiate final terms and conditions, not to exceed \$10.8 million not including sales tax with Proterra Inc, for the purchase of nine (9) battery powered electric buses. The buses will match the three Proterra buses currently in service on Line 291.

Analysis

On February 19, 2009, the Executive Board authorized the Executive Director to issue a notice requesting indications of interest from bus manufacturers relative to their capabilities to produce a 35-foot electric bus.

On April 24, 2009, the Foothill Transit Executive Board authorized the Executive Director to enter into a contract with Proterra LLC for the procurement of three (3) battery powered electric buses and wayside fast charging equipment and authorize the Executive Director to negotiate final terms and conditions and execute a contract with Proterra LLC. That contract included an option to purchase nine (9) additional buses.

In September of 2010 those three buses began regular limited service on Line 291 while waiting for completion of the charge station. That charge station was completed in February of 2011 and preliminary service has begun.

The three initial buses have run well during the shakedown period. The procurement of these nine buses will allow the complete electrification of Line 291 operating between LaVerne and Pomona, including FTA approved spare vehicles.

In order to advance the deployment of the electric bus program, Foothill Transit was awarded a \$10.17 million grant under the TIGGER II program. This was the largest grant in the United States under the Transit Investments for Greenhouse Gas and Energy Reduction (TIGGER) II program.

At the Executive Board retreat held on February 17, 2011, a discussion was held regarding the future of this project and potential imminent action by the US Congress to repeal the funding awarded under the TIGGER program. The Board discussed ways to secure the funding for this project. One potential option was to exercise the option order for the nine option buses. This would allow the grant for these funds to be submitted to the Federal Transit Administration. Once the grant is approved, it is hoped that the obligation of funds via the grant would secure the funding provided.



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This potential loss of the TIGGER II funding became known subsequent to the posting of the agenda for the Executive Board retreat. In light of this, the Executive Board took action to add an item to the agenda for the day. In a subsequent vote, the Board authorized the Executive Director to enter into a contract with Proterra for the nine buses that are available as part of the base contract.

Budget Impact

Foothill Transit was successful in securing \$10.17 million in TIGGER II grant funding specifically to expand this program. The remaining funding is available in the adopted FY 2011 capital budget.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lopez/Hor".

George Karbowski
Director of Operations and Maintenance

A handwritten signature in cursive script, appearing to read "D. Barnes".

Doran J. Barnes
Executive Director